



# Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 10/24/2018 | Report No: ESRSC00038



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Grenada	LATIN AMERICA AND CARIBBEAN	P167588	
Project Name	Grenada Digital Governance for Resilience		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
«PRACTICEAREA»	IPF	3/18/2019	3/27/2019
Borrower(s)	Implementing Agency(ies)		

Proposed Development Objective(s)

To enhance the delivery of selected public services and fortify government resiliency by modernizing Grenada's public sector management systems through digital technologies and institutional reform.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>15.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

The project will aim to build a smart, resilient government that adopts a whole-of-government approach to implementing critical public policies and increasing the efficiency of public service delivery by 1) modernizing public service management; 2) leveraging digital technologies to deliver resilient, integrated services to citizens and promote sectoral transformation; and 3) forging inclusive strategic partnerships to promote change and build capacity to forge a data-driven culture in the public sector. It will focus on developing the institutional efficiency and resilience of key aspects public sector administration that drive the growth of a digital economy and ensure government continuity. The operation will complement the upcoming investments in IT infrastructure in the country and develop digital government platforms to improve government productivity and accountability and enhance social inclusiveness. It will advocate, where appropriate, the use of disruptive technologies across policy areas and levels of government,



with a focus on supporting government continuity and climate adaptation, developing citizen-centric public services, and promoting digital literacy in the public sector and for citizens.

**D. Environmental and Social Overview**

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social] Grenada is a small, open island economy of approximately 110,000 inhabitants. The country is highly vulnerable to weather events, volatile terms of trade, and economic downturns in external markets that impact tourism and foreign direct investment. The country has experienced notable gains in social development over the past two decades. However, poverty rate and inequality have remained high. The implementation of public management functions suffers from weaknesses resulting from outdated systems, low human resource capacity, limited strategic planning, and weak information management. The identity management system in Grenada is fragmented and complex, with multiple identity systems such as the births and deaths registry, the electoral card system and the passport issuance platform, none of which interface with each other. The project will occur in public sector ministry offices, other offices in Grenada, in communities (a participatory approach) and in partnerships to promote change and drive reforms. The project aims to build a resilient and smart government that adopts an approach to implementing critical public policies and services by: 1) modernizing public service management; 2) leveraging digital technologies to deliver resilient, integrated services to citizens (leading to sectoral transformation) -include e-identification- ; and 3) forging inclusive strategic participation and alliances. These are to be achieved in consultation and collaboration with the citizens and the local private sector.

D. 2. Borrower’s Institutional Capacity

Overall management of the project will be led by a Project Implementing Unit. The PIU will be responsible for all the coordination, monitoring, evaluation and safeguard functions related to the project. Since Grenada's capacity is low for safeguards management, a consultant will be recruited to manage the environmental and social safeguard risks. This could be adequate for this project since the project will require the formulation and implementation of a strong stakeholder engagement plan and Grievance Redress Mechanism. The project will address capacity building, including leveraging digital technologies to deliver resilient integrated services to citizens and forging inclusive strategic partnerships to stimulate a data driven culture in the public sector.

Public Disclosure

**II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)** Moderate

**Environmental Risk Rating** Low

The environmental and social risk classification is low because the project is largely focused on capacity building in e-technology as well as putting in place e-services, e-identification systems and digital platforms. For example, Component 1 will support the GOG in designing and implementing the institutional, regulatory, and procedural improvements (including digital platforms that would underpin these improvements) to enhance internal administrative efficiencies and collaboration across government entities. Component 2 will build on the technologies introduced under the first component, including the e-identification system and resilient payment system, to enable the government to introduce a set of high priority and high impact public services that are easily accessible through different digital tools and solutions,. Component 3 will employ a comprehensive change management strategy. Component 4 is a contingent emergency response component with no activities or funding and Component 5 is



project management. Therefore the project will largely be limited to small works of installation of equipment, wiring and laying cables, and related minor works. Waste disposal is the main environmental issue, particularly if there are existing old computer equipment to be replaced. However, the team is unsure whether they are replacing old equipment or largely putting in place new equipment and systems. This will be assessed further during preparation.

**Social Risk Rating**

Moderate

The Bank classifies the Social risk of the project as “Moderate” after considering, in an integrated manner the following risks and impacts: The project contains the risk of further exacerbating existing exclusion patterns if no careful attention would be given to addressing both inclusion and exclusion errors in the current access to public services. If not mitigated, the digitization of identity and registration systems that govern the access to services could become a vehicle for increased exclusion. In contrast, explicit attention to addressing any exclusion errors could significantly increase reach and coverage of services.

The project is concerned about these risks and will adopt a participatory and inclusive approach to enhance social inclusiveness, and forge partnerships across the public sector, the private sector, and civil society. This approach will be adopted in the implementation of all project’s major components, where citizen satisfaction is one of the project’s key results. The project will engage in the formulation and implementation of a robust Stakeholder Engagement Plan and Grievance Redress Mechanism.

The Bank will review the Environmental and Social Risk Classification (ESRC) on a regular basis throughout the project life cycle to ensure that it continues to accurately reflect the level of risk the project presents.

**B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

**B.1. General Assessment**

**ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

***Overview of the relevance of the Standard for the Project:***

The standard is relevant in the event that the project's activities result in the generation of e-waste (old computers and equipment for disposal). The capacity of the Grenada Government to manage e-waste is low, and an e-waste plan that focuses on recycling, storage, landfilling certain components, shipping and other methods, will need to be developed if this does occur. The Environmental and Social Commitment Plan (ESCP) submitted by the borrower will, in the case where initial screening determines that this is warranted, develop a waste management plan with the help of a regional or international expert (if capacity is low within the country). This plan will be in place prior to any activities that begin replacing old equipment. The contractor's contract will also outline key operational health and safety guidelines that must be adhered to during installation works. For this project, the main instruments will be a screening tool, and operational health and safety guidelines (in the POM) and a waste management plan (as determined as preparation proceeds). The project will be implemented in a context where the rate of poverty and inequalities remain high. Initial screening will take into account relevant social risks and impacts of the project, including: i) risks that project impacts fall disproportionately on individuals and groups who, because of their particular circumstances, may be disadvantaged or vulnerable; ii) any prejudice or discrimination toward individuals or groups in providing access to development resources and project benefits, particularly in the case of those who may be disadvantaged or vulnerable. The ESCP will describe the different management tools, that the Borrower will



use to develop and implement the agreed measures and actions, that includes a robust stakeholder engagement plan.

**Areas where reliance on the Borrower’s E&S Framework may be considered:**

The borrower has little experience in the handling of e-waste and there will therefore be no reliance on its Framework in this regard. The capacity of the Government of Grenada in the application of policies for inclusive growth (ethnic, gender, economic, other vulnerable groups) and that addresses social exclusion is also weak. There will be no reliance on its Framework in this regard.

**ESS10 Stakeholder Engagement and Information Disclosure**

The main stakeholders are Government workers and officials as well as the public who will access these e-services. The Government will submit a stakeholder engagement plan (SEP) that outlines a) who the key stakeholders are; b) how they are to be engaged; c) how often the engagement will occur throughout the project; d) how feedback will be solicited, recorded and monitored over the project; e) who will be charged/responsible with this engagement; f) timeline for this engagement, and so on. On submission, the bank will approve and may make suggestions for other stakeholders to be added. The bank may join stakeholder sessions to observe the proceedings. The Stakeholder Engagement Plan (SEP) will also describe the measures that will be used to remove obstacles to participation, and how the views of differently affected groups will be captured. Where applicable, the SEP will include differentiated measures to allow the effective participation of those identified as disadvantaged or vulnerable. Dedicated approaches and an increased level of resources may be needed for communication with such differently affected groups so that they can obtain the information they need regarding the issues that will potentially affect (positively or negatively) them. The Borrower will propose and implement a grievance mechanism to receive and facilitate resolution of concerns and grievances.

**B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

**ESS2 Labor and Working Conditions**

The project is expected to hire skilled workers, mainly. Some unskilled workers may be hired but in very low numbers. The WBG team will review the specific HR processes and practices for the project in line with due requirements. This includes some requirements in the contracts for third party employers as well as the process for a grievance mechanism and occupational health and safety practices

**ESS3 Resource Efficiency and Pollution Prevention and Management**

The project is not expected to cause air, water, soil or other pollution. However, e-waste, if handled incorrectly, could cause soil and water pollution. For that reason, computers, servers and other equipment that may be replaced will have to be disposed of in a manner that follows specific guidelines as articulated in a waste management plan. In terms of efficiency, the project will ensure that the equipment it procures is energy efficient to the extent possible. For servers and computer equipment, lower energy models will be sourced.



**ESS4 Community Health and Safety**

The project will largely not impact the community. However, the project will help establish service centers where members of the community can engage in e-services, whether it is to pay bills or other types of transactions. Retrofitting spaces to enable public access may include small works including re-wiring, moving furniture, drilling holes in walls, etc. Although these works will be small, it would be important to ensure that the public does not enter the spaces where this retrofitting is ongoing. Signage, and fencing where appropriate, will be needed to cordon off entryways, to ensure public safety. This will be contained in the occupational health and safety plan outlined in the POM. The works to be done in these spaces will be further detailed during preparation.

**ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

Project activities are not expected to require the acquisition and restrictions on land use. No project-related land acquisition or restrictions on land use will take place and therefore, there is no potential for physical displacement (relocation, loss of residential land or loss of shelter) or economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood). The project is not expected to generate any physical infrastructure (e.g. the construction of fiber optic or transmission towers), therefore impacts on the following are not expected: i) Cross sensitive or critical natural areas, ii) Physical, cultural, and/or archeological sites, and iii) Displacement, resettlement or involuntary deprivation of lands. If against all expectations, these impacts were to become potential, then respective plans to address them, must be reflected in an Environmental and Social Commitment Plan (ESCP,) and implemented

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

All activities will take place within existing buildings and therefore there will be no impact on living natural resources.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

There are no reports of indigenous people present in the project’s area of influence.

**ESS8 Cultural Heritage**

No physical infrastructure and/or excavation work will be undertaken. The project does not envisage any impacts on physical, cultural, and/or archeological sites

**ESS9 Financial Intermediaries**

FI's are not a part of this project

**B.3 Other Relevant Project Risks**



We don't envisage other determined environmental or social risks. The project is not expected to generate any physical infrastructure (e.g. the construction of fiber optic or transmission towers,) therefore the significant risks related to electro-magnetic fields as well as major construction are minimized.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways** No

**OP 7.60 Projects in Disputed Areas** No

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?** No

**B. Proposed Measures, Actions and Timing (Borrower's commitments)**

**Actions to be completed prior to Bank Board Approval:**

Formulation of the Environmental and Social Commitment Plan.

TOR for an e-waste specialist.

Specify the scope of the environmental and social assessment to be carried out (screening), identifying specific areas of assessment relating to specific risks.

Screening tool to assess whether e-waste will be generated from specific activities.

Prepare and disclose a Stakeholder Engagement Plan.

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

Preparation of an e-waste management plan.

E&S Monitoring Reports.

Provide details of the project-level organizational structure to support management of E&S risks.

Specify timelines for preparation of tools and instruments to be developed, as well as the schedule for project activities, and identify appropriate methods to conduct assessments, document findings and manage risks and impacts.

Develop and implement procedures for managing contractors and subcontractors (how requirements are included in contracts and subcontracts (reflecting ESSs and ESCP; codes of conduct; coordination; reporting and oversight; grievance mechanisms.)

Develop and maintain a grievance mechanism for project workers.

Prepare and disclose a Stakeholder Engagement Plan.

Implement a Stakeholder Engagement Plan.

Develop and implement the arrangements for the grievance mechanism.

Public Disclosure



**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

30-Nov-2018

**IV. CONTACT POINTS**

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**Borrower/Client/Recipient**

**Implementing Agency(ies)**

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

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